

Move Will End \$8 Billion Program

Washington, DC-U.S. Congressman Mike Pence voted today to shut down part of the Troubled Asset Relief Program (TARP), a move that will save taxpayers \$175 million. The FHA Refinance Program Termination Act passed 256-171.

"Today is a victory for the American taxpayer. Shutting down the FHA Refinance Program will end an ineffective \$8 billion program. The program has proven unworkable and is a waste of taxpayer money.

"I opposed TARP under Republican and Democrat administrations because I believed it was fundamentally wrong for Congress to take \$700 billion in bad decisions on Wall Street and transfer that to Main Street. I am pleased we are starting to put an end to the culture of borrowing and spending and bailouts in order to get our fiscal house in order."

Background

--The Obama Administration announced the creation of the FHA Refinance Program to refinance underwater loans into the FHA.

--The program is funded with \$8 billion in TARP funds.

--According to the Treasury Department's TARP Progress Report, only \$50 million of this \$8 billion has been disbursed as of February 3.

--The Obama Administration originally estimated the program would help between 500,000 and 1.5 million homeowners. However, only 44 loans have been refinanced as of mid-February and only 245 applicants have been submitted.

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